STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

DOCKET NO. WRU-03-31-957
PLEASANT HILL COMMUNITY LINE

ORDER GRANTING REQUEST FOR WAIVER

(Issued July 17, 2003)

On June 10, 2003, Pleasant Hill Community Line (Pleasant Hill) filed with the Utilities Board (Board) a request for waiver of 199 IAC 20.18(5)"b" and 20.18(8). These rules require electric utilities with fewer than 50,000 lowa customers to maintain, among other things, certain outage information and to adopt and file a reliability plan. No objections to the request for waiver were filed.

In support of its request, Pleasant Hill states that it purchases wholesale power from the City of Webster City and contracts with the City of Webster City for various line construction and maintenance functions. Pleasant Hill serves 100 customers and has no employees or offices. Pleasant Hill contracts for certain administrative functions to be performed by Mr. Leonard Rotschafer, who serves on Pleasant Hill's Board of Directors.

Pleasant Hill argues that compliance with the reliability monitoring and reporting requirements would require it to increase administrative staff at

considerable expense without any evidence that the health, safety, and welfare of its members would be better served. Pleasant Hill also notes that 199 IAC 20.18(3)"g" specifically provides that any electric utility unable to comply with the applicable provisions of 199 IAC 20.18 may file a waiver request pursuant to 199 IAC 1.3. Finally, Pleasant Hill points out that page 44 of the Board's staff report issued December 2001 and entitled "Report on Electric Delivery Inquiry, A Staff Analysis, Docket No. INU-00-4," states that "staff expects that a few of the very smallest utilities will not have the resources to perform recording and reporting functions and will apply for and receive waivers."

Based on the information provided by Pleasant Hill, application of the rules would pose an undue hardship on Pleasant Hill without any substantial corresponding benefit. Pleasant Hill's small size makes the data maintenance and reporting requirements burdensome, particularly because Pleasant Hill does not have any employees. The standards contained in 199 IAC 1.3 have been met and the Board will grant the waiver.

The Board notes that Pleasant Hill requested a "permanent" waiver of the rules. Because facts and circumstances may change, the Board does not grant "permanent" waivers. The waiver will be remain in effect until there is a change in circumstances that results in the waiver being reexamined by the Board.

IT IS THEREFORE ORDERED:

The request for waiver of 199 IAC 20.18(5)"b" and 20.18(8) filed by Pleasant Hill Community Line on June 10, 2003, is granted, to the extent discussed in this order.

UTILITIES BOARD
/s/ Diane Munns
/s/ Mark O. Lambert
/s/ Elliott Smith

Dated at Des Moines, Iowa, this 17th day of July, 2003.